



Transportation Policy Priorities – March 2011

A. PROJECT FUNDING

Request for funding for critical projects in the next Surface Transportation Bill.

- **Zero Emission Container Movement System (ZECMS) Projects** - Provide federal funding to leverage AQMD, state, and private funds to demonstrate the first phase of the ZECMS in California that will move cargo containers efficiently with no emissions. In addition, based on the results of the phase 1 demonstration project, seek funding in the Surface Transportation bill to design and construct phase 2, the first commercial ZECMS which would move containers from ships at the port of LA and Long Beach to a nearby transfer facility. AQMD intends to provide \$3 million, along with potentially matching federal, state, and private funds, to demonstrate the feasibility of a technology to move containers without emissions. The projects would occur in California to demonstrate the capabilities of one or more technologies, and then develop a working full-scale project near or within the Ports. This project will help accommodate the anticipated growth in container traffic at the ports, and mitigate the impacts of air pollution and traffic congestion resulting from it, by developing an alternative method to move containers.

B. POLICY CHANGES

Proposals for changes in policy in the next Surface Transportation Bill.

1. **Funding Prioritization for Dedicated Zero & Near-Zero Emission Truck Lanes** - Include language in the next Surface Transportation Bill which would prioritize federal funding of freight corridor projects that will not only increase capacity, reduce congestion, and increase safety but will also increase the nation's energy security by promoting clean energy technologies and clean fuel engines which will reduce fossil fuel usage along that corridor. Specifically, this would prioritize freight projects that are zero-emission and near-zero emission such as zero-emission dedicated truck lanes and provide incentives for the development and/or deployment of advanced technology vehicles. One of these proposals is LA County Metro's current I-710 widening project to add two dedicated truck lanes in each direction. The Draft EIR/EIS is due in Fall 2011 and one alternative being examined is for the dedicated truck lanes to be reserved for zero emission trucks.
2. **Diesel Commuter Rail Replacement** - Seek change in federal grant programs to prioritize or promote distribution of grant funds for clean rail vehicles, such as electrified locomotives, for commuter rail systems. Transit agencies use FTA's Fixed Guideway Modernization Funds and Urbanized Area formula funds to purchase additional or replacement rail cars. In addition, FTA's New Starts program provides federal funding for the initial rail car purchases needed to support service on a newly constructed line or extension. These programs do not currently address the fuel or power source of the rolling stock. Providing for replacement of diesel units with cleaner rail vehicles for commuter rail systems will achieve lower emissions will significantly reduce diesel

emissions, increase energy security, and achieve reductions in the adverse health impacts that face nearby communities, such as high cases of asthma, lung inflammations, and other conditions.

3. **Air Quality Considered in Transportation Planning Process** - The TIP planning process requires that in nonattainment areas, the MPO shall coordinate development of the TIP with development of the Transportation Control Measures in the SIP. This proposal would instead require coordination of the development of the TIP with development of all mobile source control measures in the SIP as well as long-term attainment needs (e.g. advanced technology control measures pursuant to Clean Air Act section 182(e)(5)), and ensure state and local air agencies are consulted throughout this process.
4. **Early Interagency consultation on CMAQ projects** - Current law says MPOs are “encouraged...to consult with state and local air quality agencies...” in selecting CMAQ projects. This is a proposal to strengthen this provision so that transportation agencies are now “required to consult.” The Oberstar bill (2009) actually went further by saying transportation agencies are “required to cooperate” with air agencies.
5. **Protection and Growth of CMAQ** - CMAQ is a program that received about \$2.3 billion in the current year. However, more areas will be eligible for funding as a result of tightened ozone standards since SAFETEA-LU. As such there is a need to expand funding and insert performance measures to assure that the funding is being spent as effectively as possible.

C. INCENTIVE PROPOSALS

Proposals in the next federal Surface Transportation Bill to increase the Federal share for the following programs or projects that improve and protect public health by reducing emissions of criteria pollutants and their precursors, and diesel particulate matter and other mobile source toxics.

1. Establish a **100% Federal share** of funding for
 - Construction of road, rail or other infrastructure dedicated to zero-emission vehicles or locomotives, (Note: zero-emission shall mean the vehicle or locomotive emits no pollutants from the on-board source of power),
 - acquisition of zero-emission vehicles and locomotives, and
 - installation or construction of charging stations for zero-emission vehicles and locomotives.
2. Establish a **90% Federal share** of funding for
 - construction of road, rail or other infrastructure dedicated to alternative fuel vehicles or locomotives that are powered by fuels other than gasoline or diesel,
 - acquisition of alternative fuel vehicles or locomotives, and
 - installation or construction of fueling stations for alternative fuel vehicles or locomotives.
3. **Clean Construction Equipment** - Establish that the Federal share for the purchase of clean construction equipment shall be increased by 10% of the total project cost for any project submitted by a State which contains in the plans submitted for the project, how the construction equipment will be used. The construction equipment must meet the most stringent emissions standards for construction equipment adopted by the EPA or a state that are applicable to equipment manufactured in the year of project construction or earlier.



Energy and Environment Policy Priorities – March 2011

Energy

PROJECT FUNDING

Request for funding for critical projects from DOE or the next Energy Bill.

1. **Five Megawatts of In-Basin Renewable, Distributed, Electricity Generation and Storage** - Seek federal funding to leverage AQMD, state, and private funding to demonstrate five megawatts of in-basin renewable, distributed electricity generation technology with storage, to support various electric technology applications. AQMD intends to provide \$30 million to leverage public and private sector funds to commence on this project. The project will demonstrate a variety of renewable power generation and power storage technologies on a distributed scale. The benefits range from air pollution and greenhouse gas reduction to power diversity, capacity enhancement, petroleum fuel reduction, energy security, and progress towards SB 375 and RPS targets. An RFP will be released by AQMD by May-June 2011 to seek proposals.
2. **Zero-Emission (Electric or Hybrid-electric) On-Road Heavy-Duty Trucks** - Seek federal funding for the development and expanded demonstration of zero-emissions on-road heavy-duty trucks - \$10 million would allow for the demonstration of 100 trucks. It is necessary to seek demonstrations of zero-emission trucks so that vehicles are available for deployment with zero-emission dedicated truck lanes and/or a truck based ZECMS system.

Environment

POLICY CHANGES

Proposals for changes in policy regarding curbing emissions from federally-regulated sources.

- **Curtail Marine Vessel Emissions** - Provide regulatory requirements to reduce emissions from marine vessels and establish incentives to shipping lines to voluntarily reduce emissions.